TO: Air Quality Board

THROUGH: Bryce C. Bird, Executive Secretary

FROM: Catherine Williams, Environmental Scientist; and

Sheila Vance, Environmental Scientist

DATE: June 3, 2020

SUBJECT: PROPOSE FOR PUBLIC COMMENT: Amend R307-150. Emission Inventories.

Division of Air Quality (DAQ) staff are proposing two changes to R307-150. Emission Inventories. The first change is to implement a requirement of the Clean Air Act (CAA) for areas that are designated as nonattainment for the 2015 ozone National Ambient Air Quality Standards (NAAQS). The second is a change that will increase the transparency and accuracy of the emissions inventory data, as well as reporting process efficiency for point source facilities and Utah Division of Air Quality staff.

On August 3, 2018, the Environmental Protection Agency (EPA) designated areas in Utah as ozone nonattainment areas under the CAA. These areas are Davis, Weber, Salt Lake, Utah and a portion of Tooele County. The Uinta Basin located in Duchesne and Uintah Counties at an elevation of 6,500 feet above sea level and below has also been designated an ozone nonattainment area. As part of the requirements for an ozone nonattainment area, all sources with emissions of either oxides of nitrogen (NO_x) or volatile organic compounds (VOCs) greater than 25 tons per year are required to provide the DAQ with an annual statement describing the emission sources and the actual amount of NO_x and VOC emissions from those sources. The first such statement will be due by April 15^{th} 2021. The majority of sources with NO_x and/or VOC emissions at this level are already participating in the reporting of their emissions triennially, with the next required submittal due by April 15th, 2021Current Utah rules also require sources with potential emissions of NO_x, oxides of sulfur, and PM₁₀ greater than 25 tons per year or 10 tons per year of VOCs in Davis, Weber, Salt Lake or Utah counties to provide an emission inventory triennially, again with the next required submittal due by April 15th, 2021. In addition, sources involved in oil and gas extraction, production, and transmission operations with emissions greater than one ton per year are required to report an emission inventory triennially. Virtually all sources that meet the ozone emission statement requirement in the Uinta Basin nonattainment are oil and gas operations. Therefore, the majority of sources that will be required to submit an emission statement annually under the ozone nonattainment areas are already reporting triennially and, as such, are familiar with the process and the impact of having to report annually should be fairly minimal. The fiscal costs that may be incurred will not be seen until fiscal year 2022, since the triennial statements are to be submitted in fiscal year 2021. The portion of Tooele County that is in the ozone nonattainment area has a very small number of sources that will now be required to report an inventory to DAQ.

It is the intent of DAQ to have the reporting of annual emission statements by required sources to be as seamless as possible. Sources that are required to report the 2020 triennial emission

inventory by April 15, 2021 will also meet the initial emission statement that will be required to be submitted by April 15, 2021. Sources that are only required to report an annual emission statement will be able to submit their statement electronically via already-established DAQ processes. All required point sources currently report their inventory via a program called the Statewide & Local Emission Inventory System (SLEIS) and oil and gas sources will report their inventory through the Centralized Air Emissions Reporting System (CAERS).

The second change being proposed to R307-150 is to change the level of inventory data being submitted by some sources. Currently, sources subject to R307-150-7 submit facility totals for each pollutant (summary-only facilities), while all other sources submit specific information regarding each piece of permitted equipment (detailed facilities). Inventory staff would like to change this rule so that all sources are required to submit a detailed emissions inventory. Staff believe this change will improve the reporting experience for the user, the quality control process for staff, and the point source data quality for State Implementation Plans.

While "summary-only" appears to be an easier reporting process for facilities, it often is even more challenging than completing a detailed report. In the point source inventory database, SLEIS, summary-only facilities have no prompts for completing calculations, and usually have to create their own worksheets to determine totals. For detailed emissions inventory reports, SLEIS shows users how to calculate emission totals. Once a detailed SLEIS report has been tailored for each of a facility's emissions units, the following inventory cycles will be significantly easier because the next inventory report is generated from the previous one. Thus, some additional work in the short-term should provide a better experience in the long-term.

Inventory staff will work with the affected facilities for this change to be successful. As the 2020 inventory deadline of April 15th, 2021, approaches, staff will again offer several in-person training sessions showing users how to complete an inventory, similar to the implementation of SLEIS in 2018. The same information is currently available on the SLEIS homepage through tutorial videos for those unable to attend the trainings. Also, like 2018, staff will be available through emails, phone calls, and in-person meetings throughout the triennial inventory process to assist any facility in completing their inventory. Staff are also able to tailor equipment formats to best match a facility's existing workbook.

Once facilities have submitted a detailed report, the process for checking the quality of the report also becomes easier for inventory staff. Currently with summary-only reports, staff must review report attachments provided by the facility to ensure the accuracy of the total emissions. Reviewing these attachments is more time consuming for staff because the formatting is inconsistent and staff often find errors that would not be present in a detailed report in SLEIS. There are currently 318 summary-only facilities; if these facilities are not converted to detail for the 2020 reporting cycle, the amount of work to provide quality control for these reports will be significantlygreater.

With regard to improving the overall quality of emissions data, having all detailed reports will allow staff to analyze point source data from all sources down to the equipment type. Currently, summary-only facilities have one facility-wide total for each pollutant, and staff are unable to extract emissions data by piece of equipment. Statewide, this means over 4,500 tons of criteria pollutants have no Standard Classification Code (SCC), the current parameter used by the Inventory Section to classify emissions. Moving summary-only to detailed reports will mean

every aspect of point source data will have an SCC. Furthermore, this change will mean the entire statewide inventory will have SCCs.

DAQ's Inventory staff believe the detailed report process is cleaner, more streamlined and transparent, and will improve the accuracy of the inventory. In summary, this is a better product to offer the regulated community and will result in a more efficient experience; staff are committed to helping facilities make this a success.

Staff provided advance notice of these proposed changes to potentially impacted sources and have responded to questions and concerns raised in that timeframe.

<u>Recommendation:</u> Staff recommends that the Board propose amended R307-150 for public comment.